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GLOBAL INTERDEPENDENCE IN MEETING WORLD FOOD NEEDS

The message of the United States to this 20th Food and Agriculture Organization Conference (FAO) is twofold. It is a statement of fact--the fact of increasing global interdependence. And it is a request--an urgent request--that this growing interdependence be matched by a greater acceptance by all nations of shared responsibility for our world poor and our world hungry.

In the two years since I had the privilege of addressing the 19th FAO Conference in 1977, much has been achieved nationally and internationally to reduce the global threat of hunger. But there is no room for complacency. Much yet remains to be done.

Very few countries today are self-sufficient in all foodstuffs. Food production in many developing countries has not kept pace with population growth. Although food production in the developing countries grew about 3 percent a year between 1970 and 1978, population increases virtually eliminated these gains. The average annual growth in per capita food production in the developing countries was only 0.3 percent. In the poorest countries, annual per capita food production actually declined.

The developing countries have had to increase their food imports substantially. During the 1960's, food imports by the developing countries grew at about 2.7 percent per year. In the 1970's, they grew at 6.9 percent annually. While countries with rapidly rising incomes accounted for much of this increase, some low income countries have also had to import more.

Remarks prepared for delivery by Secretary of Agriculture Bob Bergland at the 20th Food and Agriculture Organization Conference, Rome, Italy, November 13, 1979.

As the FAO Secretariat has pointed out in its comprehensive report, Agriculture: Toward 2000, the number of people whose diets are below the minimum critical levels has not decreased. About half a billion people--right now--are ill-fed and malnourished. Current projections show that these numbers will increase rather than diminish in the years ahead unless changes are made.

Demand for food in the developing countries is expected to grow at 3.7 percent per year between now and the year 2000. To meet this demand the developing countries need to expand their food production by at least 75 percent over the next twenty years. Clearly, the future of the developing countries and especially that of the low-income, food-deficit countries is a cause of serious concern for all of us.

When I addressed the 19th FAO Biennial Session in Rome in 1977, I urged that issues peripheral to actual development work, such as solving trade and commodity problems, be dealt with in other international bodies specifically concerned with such issues. I urged FAO, as the preeminent world food and agricultural organization, to focus on increasing food production and improving nutrition--particularly in developing countries. That was not a goal to be accomplished in the biennium between conferences. I stand by that goal in 1979 as the continuing--indeed as the overriding and ever more urgent--challenge of our time.

There can be little doubt that increases in external aid are necessary. But external assistance is effective only if the developing countries are firmly committed to giving the food and agriculture sector higher priority in their own development plans. The developing countries must commit more of their resources to agricultural development and provide greater incentives to their food producers. They must consider policies and investments to increase employment in rural areas so that the small farmer and the landless poor can earn enough to buy the food they need.

The United States stands ready to offer assistance. But the task requires a concerted effort by all members of the international community. We must share the responsibility for overcoming hunger in the 20th century for a healthy and strong 21st century.

Measures to Increase Agricultural Production, Reduce Malnutrition, and Strengthen World Food Security

A number of measures to increase food production, reduce malnutrition, and strengthen world food security were proposed at the September meeting of the World Food Council. The United States supported many of these measures. I would like to take this opportunity to elaborate on them and discuss their significance for the world agricultural system.

Our energies must be directed, first and foremost, toward accelerating food and agricultural production, especially in the low-income, food-deficit countries. Most of the food produced in the world--85 to 90 percent of it--is consumed within the countries of production. Without sustained production increases, particularly in the poorest nations, there can be no long-term food security for most of mankind.

The U.S. sees the development of food sector strategies as an important first step for increasing food production. Such strategies would help the developing countries coordinate their food production programs and use their resources more effectively. FAO is well suited to lend its talents in this area. We urge FAO to work with the World Bank, the regional development banks, and the World Food Council in helping countries develop these strategies. The United States can also provide technical assistance in this area.

A second step in promoting food production is increased support for international agricultural research. Research is essential for the kind of technological innovation that can raise crop yields. We are pleased that FAO has recommended, in its Medium Term Objectives Paper, greater support for national and international agricultural research.

We must finally increase our attention to maintaining croplands against erosion, depletion, and degradation.

This is truly a global problem. In the U.S. our annual soil loss is now estimated as averaging 9 tons per acre from our farms. And water may soon outrank land as a major constraint to U.S. food production. We are rapidly depleting ground water reserves in the west, southwest, and Great Plains.

Most of the earth's lands suitable for cultivation are now currently being used. We cannot afford to waste this precious resource. We strongly support efforts by FAO and the U.N. Environmental Program to fight the degradation of croplands and encourage greater national and international efforts for this.

Increasing food production is a critically important factor but not the only factor involved in reducing hunger and malnutrition.

Malnutrition is also rooted in poverty and the inequitable distribution of food. We need a multifaceted approach to overcoming hunger and malnutrition. Developing countries will need to formulate policies and programs that link increased production and improved distribution. Food sector strategies will help identify these linkages. There is a key role here for FAO in designing the food distribution and consumption components of food sector strategies. This could include nutrition intervention programs, as appropriate.

We support FAO's increased emphasis on nutrition in the next biennium. We are disturbed that FAO's Program of Work and Budget for 1980-81 emphasizes data collection and assessment, and urge FAO to embrace a more comprehensive and action-oriented approach to the problem. The United States has had extensive experience in various food distribution programs and is prepared to offer technical assistance.

The United States believes that strengthening world food security is vitally important. We will continue to work toward stable grain supplies and adequate reserve stocks. We regret that negotiations toward a new International Wheat Agreement (IWA) have not been successful but hope that a new agreement may be concluded.

We agree with Director-General Saouma that incomplete negotiations on the IWA should not discourage interim progress toward world food security. We think the time is ripe to move forward on two food security objectives: the completion of a new Food Aid Convention and the establishment of food security systems in developing countries.

A new Food Aid Convention (FAC) will be an important step in assuring sufficient food aid. We support the 10 million ton target for annual food aid commitments and have pledged 4.47 million tons of cereals as our minimum annual contribution. We urge governments which have not agreed to separate FAC negotiations to reconsider their positions. We also urge all countries in a position to contribute meaningfully to the convention--whether in cash or in kind--to do so. The effectiveness, as well as the quantity, of food aid can be greatly enhanced by supplementary financial and technical assistance.

National food security systems in developing countries will help increase available reserve stocks and facilitate the rapid distribution of food supplies to needy areas. But these food security systems will require assistance in building food storage facilities and in designing systems to maintain and distribute food reserves. We encourage the World Bank to give increased emphasis to food storage facilities and distribution systems. We also urge FAO to work with the World Bank wherever possible in this endeavor.

FAO's Role in Meeting the Challenge Ahead

FAO has had an outstanding record of achievement in the more than 30 years of its existence. In collecting and disseminating commodity statistics, promoting agricultural investment in developing countries and other programs, FAO has provided an invaluable service to us all. We commend FAO for its good work and particularly for promoting world food security through such initiatives as the Five Point Plan of Action.

In the U.S. view, FAO is the major action organization in the U.N. system specifically concerned with world food and agriculture matters. Because the reduction of hunger and malnutrition should be FAO's principal concern, we urge that it direct a greater share of its resources toward the low-income, food-deficit countries.

As we have suggested, FAO can help these countries develop food sector strategies, undertake nutrition intervention programs, and assess food storage and food distribution needs. We also encourage FAO to more actively promote rural employment, with particular attention to the needs of the poorest and most disadvantaged. FAO has highlighted many of these same areas in its Medium Term Objectives Paper.

FAO can fill a serious information gap by gathering data on the level of agricultural investment in developing countries--both internal and external. As part of its followup to the World Conference on Agrarian Reform and Rural Development (WCARRD), FAO might well monitor progress in rural development.

It is clear, then, that FAO has a vital role to play in meeting the challenge facing us in food and agriculture over the next twenty years. But we must all strive together. The challenge is too large for any single organization to do alone.

In a series of global debates just getting underway, international development goals are being laid out for the 1980's. FAO can be most effective if it coordinates its work on these goals with other multilateral organizations involved in world food and agriculture.

FAO has strong links with the U.N. Development Program through its extra-budgetary programs. It has worked closely with the World Bank in conducting pre-investment surveys and should continue that collaboration in efforts such as food sector strategies and food storage assessment. In its followup to the WCARRD, FAO will need to work with the U.N. Task Force on Rural Development and other organizations. We also expect that FAO will continue coordinating its policies and programs with the World Food Council and the International Wheat Council in a mutual effort to strengthen world food security.

The work of FAO can be enhanced by joint activities with bilateral agencies. The cooperative program between FAO and U.S. AID in the Sahel illustrates the benefits of joint endeavors. FAO might also explore developing closer cooperation with non-governmental organizations, many of whom have substantial resources and expertise in agricultural development programs.

The U.S. Role in the International Food System

The United States has responded to global needs by working to assure adequate food production for commercial and concessional sales. We have eliminated the wheat and feedgrain set-aside programs for the 1980 crop year to encourage our farmers to expand their production.

In an effort to protect our producers against temporary imbalances in supply and demand, and to maintain investment incentives, we built stability into U.S. agriculture through the farmer-owned reserve.

In less than ~~Two~~ years, farmers placed 33 million metric tons of wheat and feedgrains into the reserve. When prices rose this spring and summer, farmers withdrew nearly 12.6 million tons from the reserve (as of October 1) to supply the increased demand. By increasing supplies in a tight supply period, the reserve stabilized world trade as well as domestic prices.

Through the reserve, we have been able to maintain food production levels during periods of relatively low prices. It is essential that the United States maintain its productive capacity. As one of the low-cost producers of grain, the U.S. has a special obligation in this regard. We recognize that our agricultural output is a major factor in ensuring world food security. But we also recognize that U.S. farmers will not increase their production unless they can expect a reasonably fair return above their costs.

The United States is traditionally a principal supplier of food aid. We are now providing nearly two-thirds of the world's concessional food assistance. Our contribution this year will amount to \$1.4 billion, or almost 6.5 million tons of agricultural commodities. As long as necessary, we will try to meet short-term and emergency hunger needs through bilateral and multilateral programs.

On August 14, we passed new legislation to further help those countries most in need. Under the International Development and Cooperation Act of 1979, U.S. bilateral assistance will emphasize those programs which increase food security in developing countries and make food supplies more available to the poor and nutritionally vulnerable.

A principal U.S. goal is to help developing countries improve their own food production and distribution. In the long term, food security means that developing countries can maintain and, preferably, increase their per capita food consumption. We allocate almost half of our bilateral economic development assistance to agriculture and rural development.

In the years ahead we will seek to channel even more of our food and development assistance to those low-income developing countries which encourage increased domestic food production and more equitable distribution of food and agricultural resources.

International agricultural research can be a potent force for increasing agricultural production. We have regularly contributed almost 25 percent of the resources of the Consultative Group for International Agricultural Research (CGIAR). In our opening address to the 24th U.N. General Assembly, we announced our support for a doubling of the resources of the international research system by 1985.

A year ago, U.S. AID also created the Collaborative Research Support Program (CRSP). It will seek to facilitate collaboration between selected U.S. universities and developing country institutions. The program now has three ongoing projects and has identified 21 other project areas.

In FY 1978, the U.S. allocated almost \$556 million of its bilateral aid resources to agriculture, rural development, and nutrition. In FY 1979, we devoted an estimated \$610 billion toward these goals and have requested \$715 billion in our FY 1980 budget submission to Congress.

An increasing number of developing countries can now be described as "middle-income" countries. While many of these countries have graduated from our bilateral foreign assistance programs, they still need our technology to improve their food production and distribution. The United States has substantially increased its technical cooperation programs to meet demands for more advanced technology. In the last year, in cooperative agreements with more than 30 such countries, we have mutually decided on areas for scientific and technological exchanges.

For example, we initiated a joint program with our southern neighbor this year to improve the management of arid and semi-arid lands. The program also aims at expanding employment and income opportunities in the rural areas there.

The United States has worked actively to promote the application of new crop science and technology in developing countries. It has set up an inter-agency mechanism specifically to help countries establish new businesses for producing and marketing new tropical and arid land agricultural products.

I want to stress, finally, that the U.S. continues to seek ways to expand trade in food and agriculture products with the developing countries. The U.S. is now the largest single importer of agricultural commodities from the Third World. In FY 1978, U.S. imports of food and agricultural commodities from developing countries were almost \$9.4 billion--\$500 million more than our agricultural exports to them. In FY 1979, our commodity imports from developing countries increased to \$10.6 billion. Concessions reached in the Multilateral Trade Negotiations should bring even greater agricultural trade between developing countries and the U.S., as well as the rest of the world.

Conclusion

The United States is and will remain a responsible partner in the world agricultural system. We will tailor our assistance to meet the diverse needs of the low-income and middle-income countries. We will continue to be the principal contributor to multilateral agencies while we also seek to expand our bilateral programs. And we will shape our policies to assure both the food supplies and technical know-how which the world needs. Like you, we recognize the urgency of the challenge we face--to reduce hunger and malnutrition in the decades ahead. We look forward to working with FAO and all of you in this endeavor. Let us move forward together.

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